

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS LAWYERS FUNDING GROUP, LLC		DEFENDANTS Theodore W. White, Jr., Brian Forrest McCallister, Esquire, Michael I. Kanovitz, Esquire, The McCallister Law Firm, P.C. and Elgron, Inc. d/b/a Loevy & Loevy								
(b) County of Residence of First Listed Plaintiff <u>Philadelphia</u> <i>(EXCEPT IN U.S. PLAINTIFF CASES)</i>		County of Residence of First Listed Defendant <u>Utah</u> <i>(IN U.S. PLAINTIFF CASES ONLY)</i>								
(c) Attorneys (<i>Firm Name, Address, and Telephone Number</i>) Zibelman Legal Associates, PC 1500 JFK Blvd., Suite 1700, Philadelphia, PA 19102 (215) 569-0600 Alan R. Zibelman, Esquire		NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.								
II. BASIS OF JURISDICTION <i>(Place an "X" in One Box Only)</i>		III. CITIZENSHIP OF PRINCIPAL PARTIES <i>(Place an "X" in One Box for Plaintiff, and One Box for Defendant)</i>								
<input type="checkbox"/> 1 U.S. Government Plaintiff <input type="checkbox"/> 3 Federal Question (<i>U.S. Government Not a Party</i>)		Citizen of This State <input checked="" type="checkbox"/> 1 <input type="checkbox"/> 1 Incorporated or Principal Place of Business In This State <input checked="" type="checkbox"/> 4 <input type="checkbox"/> 4								
<input type="checkbox"/> 2 U.S. Government Defendant <input checked="" type="checkbox"/> 4 Diversity (<i>Indicate Citizenship of Parties in Item III</i>)		Citizen of Another State <input type="checkbox"/> 2 <input checked="" type="checkbox"/> 2 Incorporated and Principal Place of Business In Another State <input type="checkbox"/> 5 <input checked="" type="checkbox"/> 5								
		Citizen or Subject of a Foreign Country <input type="checkbox"/> 3 <input type="checkbox"/> 3 Foreign Nation <input type="checkbox"/> 6 <input type="checkbox"/> 6								
IV. NATURE OF SUIT <i>(Place an "X" in One Box Only)</i>										
CONTRACT	TORTS <input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excludes Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input checked="" type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise			FORFEITURE/PENALTY PROPERTY RIGHTS LABOR SOCIAL SECURITY FEDERAL TAX SUITS	BANKRUPTCY <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input type="checkbox"/> 690 Other <input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark			OTHER STATUTES <input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/ Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes		
	REAL PROPERTY	CIVIL RIGHTS <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property			PRISONER PETITIONS IMMIGRATION DOCKET NUMBER					
		<input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/ Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education				<input type="checkbox"/> 443 Alien Detainee <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty Other: <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement				
		<input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability				<input type="checkbox"/> 720 Labor/Management Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation				
		<input type="checkbox"/> 791 Employee Retirement Income Security Act				<input type="checkbox"/> 861 HIA (1395f) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIWW (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g))				
V. ORIGIN <i>(Place an "X" in One Box Only)</i>				<input checked="" type="checkbox"/> 1 Original Proceeding <input type="checkbox"/> 2 Removed from State Court <input type="checkbox"/> 3 Remanded from Appellate Court <input type="checkbox"/> 4 Reinstated or Reopened <input type="checkbox"/> 5 Transferred from Another District (specify) <input type="checkbox"/> 6 Multidistrict Litigation						
				Cite the U.S. Civil Statute under which you are filing (<i>Do not cite jurisdictional statutes unless diversity</i>): 28 U.S.C.A. 1332						
VI. CAUSE OF ACTION				Brief description of cause: Breach of Contract						
VII. REQUESTED IN COMPLAINT:		<input type="checkbox"/> CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P.		DEMAND \$ <u>375,000.00</u>		CHECK YES only if demanded in complaint: JURY DEMAND: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
VIII. RELATED CASE(S) IF ANY		<i>(See instructions):</i>		JUDGE  SIGNATURE OF ATTORNEY OF RECORD		DOCKET NUMBER <u></u>				
DATE <u>05/23/2014</u>										
FOR OFFICE USE ONLY										
RECEIPT # <u></u>		AMOUNT <u></u>		APPLYING IFP <u></u>		JUDGE <u></u>				
						MAG. JUDGE <u></u>				

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF PENNSYLVANIA

Lawyers Funding Group, LLC

v.

Civil Action

No: _____

Theodore W. White, Jr., et al.

DISCLOSURE STATEMENT FORM

Please check one box:



The nongovernmental corporate party, Lawyers Funding Group, LLC, in the above listed civil action does not have any parent corporation and publicly held corporation that owns 10% or more of its stock.



The nongovernmental corporate party, _____, in the above listed civil action has the following parent corporation(s) and publicly held corporation(s) that owns 10% or more of its stock:

5/23/14

Date



Signature

Counsel for:

Lawyers Funding Group, LLC

Federal Rule of Civil Procedure 7.1 Disclosure Statement

(a) WHO MUST FILE; CONTENTS. A nongovernmental corporate party must file two copies of a disclosure statement that:

- (1) identifies any parent corporation and any publicly held corporation owning 10% or more of its stock; or
- (2) states that there is no such corporation.

(b) TIME TO FILE; SUPPLEMENTAL FILING. A party must:

- (1) file the disclosure statement with its first appearance, pleading, petition, motion, response, or other request addressed to the court; and
- (2) promptly file a supplemental statement if any required information changes.

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIACASE MANAGEMENT TRACK DESIGNATION FORMLawyers Funding Group, LLC
v.

Theodore W. White, Jr. et al.

CIVIL ACTION

NO.

In accordance with the Civil Justice Expense and Delay Reduction Plan of this court, counsel for plaintiff shall complete a Case Management Track Designation Form in all civil cases at the time of filing the complaint and serve a copy on all defendants. (See § 1:03 of the plan set forth on the reverse side of this form.) In the event that a defendant does not agree with the plaintiff regarding said designation, that defendant shall, with its first appearance, submit to the clerk of court and serve on the plaintiff and all other parties, a Case Management Track Designation Form specifying the track to which that defendant believes the case should be assigned.

SELECT ONE OF THE FOLLOWING CASE MANAGEMENT TRACKS:

(a) Habeas Corpus – Cases brought under 28 U.S.C. § 2241 through § 2255. ()

(b) Social Security – Cases requesting review of a decision of the Secretary of Health and Human Services denying plaintiff Social Security Benefits. ()

(c) Arbitration – Cases required to be designated for arbitration under Local Civil Rule 53.2. ()

(d) Asbestos – Cases involving claims for personal injury or property damage from exposure to asbestos. ()

(e) Special Management – Cases that do not fall into tracks (a) through (d) that are commonly referred to as complex and that need special or intense management by the court. (See reverse side of this form for a detailed explanation of special management cases.) ()

(f) Standard Management – Cases that do not fall into any one of the other tracks. (X)

5/23/14

Date

Al Feldman
Attorney-at-law215-569-0600

FAX Number

Lawyers Funding Group, LLC
Attorney for215BEAN@AOL.COM

Telephone

E-Mail Address

FOR THE EASTERN DISTRICT OF PENNSYLVANIA — DESIGNATION FORM to be used by counsel to indicate the category of the case for the purpose of assignment to appropriate calendar.

Address of Plaintiff: 1500 JFK Blvd, Suite 1700, Phila PA 19102

Address of Defendant: 1748 Amanda Lane Saratoga Springs, VT 84085

Place of Accident, Incident or Transaction: Philadelphia PA
(Use Reverse Side For Additional Space)

Does this civil action involve a nongovernmental corporate party with any parent corporation and any publicly held corporation owning 10% or more of its stock?
(Attach two copies of the Disclosure Statement Form in accordance with Fed.R.Civ.P. 7.1(a))

Yes No

Does this case involve multidistrict litigation possibilities?

Yes No

RELATED CASE, IF ANY:

Case Number: _____ Judge: _____ Date Terminated: _____

Civil cases are deemed related when yes is answered to any of the following questions:

1. Is this case related to property included in an earlier numbered suit pending or within one year previously terminated action in this court?
Yes No
2. Does this case involve the same issue of fact or grow out of the same transaction as a prior suit pending or within one year previously terminated action in this court?
Yes No
3. Does this case involve the validity or infringement of a patent already in suit or any earlier numbered case pending or within one year previously terminated action in this court?
Yes No
4. Is this case a second or successive habeas corpus, social security appeal, or pro se civil rights case filed by the same individual?
Yes No

CIVIL: (Place ✓ in ONE CATEGORY ONLY)

A. Federal Question Cases:

1. Indemnity Contract, Marine Contract, and All Other Contracts
2. FELA
3. Jones Act-Personal Injury
4. Antitrust
5. Patent
6. Labor-Management Relations
7. Civil Rights
8. Habeas Corpus
9. Securities Act(s) Cases
10. Social Security Review Cases
11. All other Federal Question Cases

(Please specify) _____

B. Diversity Jurisdiction Cases:

1. Insurance Contract and Other Contracts
2. Airplane Personal Injury
3. Assault, Defamation
4. Marine Personal Injury
5. Motor Vehicle Personal Injury
6. Other Personal Injury (Please specify) _____
7. Products Liability
8. Products Liability — Asbestos
9. All other Diversity Cases

(Please specify) _____

Alan R. Zabelman

ARBITRATION CERTIFICATION

(Check Appropriate Category)

, counsel of record do hereby certify:

Pursuant to Local Civil Rule 53.2, Section 3(c)(2), that to the best of my knowledge and belief, the damages recoverable in this civil action case exceed the sum of \$150,000.00 exclusive of interest and costs;

Relief other than monetary damages is sought.

DATE: 5/23/14Alan R. Zabelman

Attorney-at-Law

66993

Attorney I.D.#

NOTE: A trial de novo will be a trial by jury only if there has been compliance with F.R.C.P. 38.

I certify that, to my knowledge, the within case is not related to any case now pending or within one year previously terminated action in this court except as noted above.

DATE: 5/23/14Alan R. Zabelman

Attorney-at-Law

66993

Attorney I.D.#

FOR THE EASTERN DISTRICT OF PENNSYLVANIA — DESIGNATION FORM to be used by counsel to indicate the category of the case for the purpose of assignment to appropriate calendar.

Address of Plaintiff: 1500 JFC Blvd, Suite 1700, Philadelphia PA 19102Address of Defendant: 1748 Amanda Lane, Saratoga Springs, UT 84045Place of Accident, Incident or Transaction: Philadelphia PA
(Use Reverse Side For Additional Space)

Does this civil action involve a nongovernmental corporate party with any parent corporation and any publicly held corporation owning 10% or more of its stock?

(Attach two copies of the Disclosure Statement Form in accordance with Fed.R.Civ.P. 7.1(a))

Yes No

Does this case involve multidistrict litigation possibilities?

Yes No

RELATED CASE, IF ANY:

Case Number: _____ Judge _____ Date Terminated: _____

Civil cases are deemed related when yes is answered to any of the following questions:

1. Is this case related to property included in an earlier numbered suit pending or within one year previously terminated action in this court?
Yes No
2. Does this case involve the same issue of fact or grow out of the same transaction as a prior suit pending or within one year previously terminated action in this court?
Yes No
3. Does this case involve the validity or infringement of a patent already in suit or any earlier numbered case pending or within one year previously terminated action in this court?
Yes No
4. Is this case a second or successive habeas corpus, social security appeal, or pro se civil rights case filed by the same individual?
Yes No

CIVIL: (Place in ONE CATEGORY ONLY)

A. Federal Question Cases:

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2. FELA
3. Jones Act-Personal Injury
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6. Labor-Management Relations
7. Civil Rights
8. Habeas Corpus
9. Securities Act(s) Cases
10. Social Security Review Cases
11. All other Federal Question Cases

(Please specify) _____

B. Diversity Jurisdiction Cases:

1. Insurance Contract and Other Contracts
2. Airplane Personal Injury
3. Assault, Defamation
4. Marine Personal Injury
5. Motor Vehicle Personal Injury
6. Other Personal Injury (Please specify) _____
7. Products Liability
8. Products Liability — Asbestos
9. All other Diversity Cases

(Please specify) _____

ARBITRATION CERTIFICATION

(Check Appropriate Category)

, counsel of record do hereby certify:

 Pursuant to Local Civil Rule 53.2, Section 3(c)(2), that to the best of my knowledge and belief, the damages recoverable in this civil action case exceed the sum of \$150,000.00 exclusive of interest and costs; Relief other than monetary damages is sought.DATE: 5/23/14

Attorney-at-Law

66893

Attorney I.D.#

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I certify that, to my knowledge, the within case is not related to any case now pending or within one year previously terminated action in this court except as noted above.

DATE: 5/23/14

Attorney-at-Law

66893

Attorney I.D.#

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

Lawyers Funding Group, LLC
1500 JFK Boulevard, Suite 1700
Philadelphia, PA 19102

v:

Civil Action NO.

Theodore W. White, Jr.
1748 Amanda Lane
Saratoga Springs, UT 84045

&

Brian Forrest McCallister, Esquire
917 W. 43rd St.
Kansas City, MO 64111

&

Michael I. Kanovitz, Esquire
312 N. May Street, Suite 100
Chicago, IL 60607

&

The McCallister Law Firm, P.C.
917 W. 43rd St.
Kansas City, MO 64111

&

Elgron, Inc.
d/b/a Loevy & Loevy
312 N. May Street, Suite 100
Chicago, IL 60607

Plaintiff Lawyers Funding Group, LLC, by and through its undersigned counsel
allege against defendants as follows:

I. PARTIES AND JURISDICTION

1. Plaintiff, Lawyers Funding Group, LLC, hereinafter ("LFG") is a limited liability corporation organized and existing under the laws of the State of Pennsylvania, which at all times material hereto maintained a principle place of business at the above captioned address.

2. Defendant, Theodore W. White, Jr., hereinafter referred to as "Seller" in the transactions to be hereinafter described, is an individual who at all times relevant resided at the above captioned address and who at all times material was represented by co-defendants acting as his legal counsel.

3. Defendant, Brian Forrest McCallister, Esquire, hereinafter ("McCallister") is an attorney at law, licensed by the State of Missouri, who at all times relevant was identified as a partner, shareholder, agent and/or employee of the firm of The McCallister Law Firm, P.C. and maintained a law office at the above captioned address.

4. Defendant, Michael I. Kanovitz, Esquire, hereinafter ("Kanovitz") is an attorney at law, licensed by the State of Illinois, who at all times relevant was identified as a partner, shareholder, agent and/or employee of the firm of Loevy & Loevy and maintained a law office at the above captioned address.

5. Defendant, The McCallister Law Firm, P.C., hereinafter ("McCallister PC") is a corporation organized and existing under the laws of the State of Missouri, a law firm, which at all times material hereto maintained a principle place of business at the above captioned address. At all times material, defendant acted by and through its agent, employee or shareholder, co-defendant Brian Forrest McCallister, Esquire.

6. Defendant, Elgron, Inc., hereinafter ("Elgron") is a corporation organized and existing under the laws of the State of Illinois, doing business as Loevy & Loevy, a

law firm, which at all times material hereto, maintained a principle place of business at the above captioned address. At all times material, defendant acted by and through its agent, employee or shareholder, co-defendant Michael I. Kanovitz, Esquire.

7. This Honorable Court has jurisdiction over the parties and controversy pursuant to 28 U.S.C.A. Section 1332 as set forth in more detail below based upon the complete diversity of citizenship of all parties and the amount in controversy.

II. FACTS

8. LFG is engaged in the business of purchasing investments in the anticipated monetary proceeds of pending lawsuits, pursuant to "Purchase Agreements" which define said Proceeds as "The entire amount of the verdict, judgment, award or settlement recovered by Seller less legal fees and costs payable to attorney under the existing Fee Agreement between Attorney and Seller".

9. LFG provides funds to individuals and businesses that are plaintiffs in pending lawsuits and does not obtain a credit bureau report on the applicant or otherwise review the applicant's creditworthiness. The amount of LFG's investment in a claim depends entirely on valuation of the claim including the likelihood of it being settled or reduced to a recoverable judgment and the estimated dollar amount of the settlement or judgment.

10. The Purchase "Assignment" Agreements make clear that LFG has no recourse to the Seller to recover its investment and fees and that LFG is entitled to recover nothing (not even its investment) in the event that the plaintiff dismisses the lawsuit or in the event the court dismisses the lawsuit. In the event that the plaintiff receives the proceeds of a settlement or judgment from the lawsuit, LFG is entitled to return of its investment and fees, limited, however by the amount of proceeds received by the plaintiff from the settlement or judgment, less the plaintiff's counsel fees.

Although LFG invests in a lawsuit, it does not acquire the right to control or manage the lawsuit. All strategic decisions continue to be made by the plaintiff and plaintiff's counsel.

11. On or about July 22, 2009, LFG entered into a Purchase Agreement with Defendant, Seller, Theodore W. White, Jr. which Agreement was also acknowledged by Seller's attorney, McCallister, pursuant to which Seller sold to Buyer an investment in the anticipated proceeds of Seller's claims against "**Richard McKinley, both in his official capacity and his individual capacity; Tina McKinley, in her individual capacity; Kenneth T. Conlee, both in his official capacity and his individual capacity; the City of Lee's Summit, Missouri, & any other responsible parties &/or applicable benefits which may be recovered, et al.** (Case No. 05-0203-CV-W-GAF)."

12. The amount invested by LFG to Defendant, Seller, Theodore W. White, Jr. defined in paragraph 2 of the July 22, 2009 Purchase Agreement as the "Purchase Price" was the amount of Fifty Thousand (\$50,000) Dollars and for which LFG was Assigned to receive from these Proceeds as defined in Paragraph 1(a) of the July 22, 2009 Purchase Agreement as the "Purchased Amount" the total sum of \$147,500 if received by December 31, 2011 and if not received by December 31, 2011, such sum shall increase by 3.25% per month, compounded monthly, until repayment is made to LFG. Attached hereto and marked as Exhibit "A" is a true and correct copy of the July 22, 2009 Purchase Agreement executed in counterparts pursuant to paragraph 10(i) of the Agreement.

13. On or about February 22, 2010, Defendant, Seller, Theodore W. White, Jr. requested a supplemental advance of an additional sum of \$19,000 and executed an Amended Purchase Agreement whereby the amended "Purchase Price" was the sum of \$69,000 and the amended "Purchased Amount" is the total sum of \$203,500 if received by December 31, 2011 and if not received by December 31, 2011, such sum shall increase by 3.25% per month, compounded monthly, until repayment is made to LFG. Attached hereto and marked as Exhibit "B" is a true and correct copy of the February 22, 2010 Amended Purchase Agreement, executed in counterparts, which was also acknowledged by Seller's attorneys, McCallister and Kanovitz.

14. On or about July 23, 2009 McCallister executed an Acknowledgment of Lien to the July 22, 2009 Purchase Agreement attached as Exhibit "C" wherein he agreed to "notify and make distribution to LFG of the Purchased Amount at the time said Proceeds are received from a verdict, judgment, award or settlement at the time that the Proceeds are distributed to Seller without further authorization from Seller". McCallister also attached an Acknowledgment of Lien to the July 22, 2009 Purchase Agreement and thereby acknowledged a matrix of all known prior liens from companies similar to LFG who had similarly invested in the anticipated proceeds of Seller's claims. See attached as Exhibit "D".

15. On or about February 22, 2010 McCallister executed, as part of the February 22, 2010 **Amended Purchase Agreement**, an "Acknowledgment of Lien by Legal Counsel" attached as Exhibit "E".

16. On or about February 23, 2010 Kanovitz executed, as part of the February 22, 2010 **Amended Purchase Agreement**, an "Acknowledgment of Lien by Legal Counsel" attached as Exhibit "F".

17. On May 25, 2012, Kanovitz wrote plaintiff confirming that his firm had neglected to include plaintiff on the disbursements made from escrow and asserted various excuses, explanations and defenses which had no bearing upon satisfaction of other similar for more than One Million (\$1,000,000) Dollars which were satisfied from the proceeds of his clients' litigation which had been resolved in August of 2011.

18. It is unknown when final distribution was made to defendant, Theodore White, Jr.

19. As of May 2012 the balance due according to the calculation of the "Purchased Amount" was \$350,880.50 and plaintiff reserves the right to amend its calculation through the date of trial.

20. In the alternative, pursuant to paragraph 3(a) of the Purchase Agreement, Buyer was to be paid the Purchased Amount within ten (10) days of distribution of the Proceeds and that in the event of failure to timely deliver said Proceeds to Buyer, Seller shall pay in addition to the sums agreed, interest at 18% per annum. Accordingly, the balance due in August 2011 was \$203,500 and Defendants are therefore jointly and severally liable to LFG for the additional sum of \$66,748 through May 2012. Plaintiff reserves the right to amend its calculation through the date of trial.

21. Paragraph 7 of the Purchase Agreement provides for attorney's fees sought in the amount of 10% of the Purchased Amount (\$350,880.50) or the sum of \$35,088.00.

22. The Pennsylvania Supreme Court has upheld the validity of Purchase Assignment Agreements. See Legal Capital LLC v. Medical Professional Liability Catastrophe Loss Fund, 750 A.2d 299 (Pa. 2000).

23. The Honorable Jane Greenspan who retired from the PA Supreme Court authored an Opinion when she was on the bench of the Court of Common Pleas of

Philadelphia County, and held an attorney representing a plaintiff who enters into a contingency proceeds agreement, signs an "attorney acknowledgement" of the agreement between the lender and the plaintiff, the attorney becomes subject to the terms of the agreement. See **Jaguar Trading, Ltd. v. Leonard R. Parks, Esquire, et al.**, December Term, 2007, No. 4118, Control No. 121929. See **Exhibit "G"**

COUNT I - BREACH OF CONTRACT
LAWYERS FUNDING GROUP, LLC V. DEFENDANT, THEODORE W. WHITE, JR.

24. Plaintiff incorporates herein paragraphs 1 through 23 inclusive, as if fully set forth below at length.

WHEREFORE, plaintiff, Lawyers Funding Group, LLC, demands judgment in its favor and against defendant, Theodore W. White, Jr., in an amount in excess of Seventy Five Thousand (\$75,000.00) Dollars, plus all reasonable attorney's fees and costs, and any other relief the court may deem necessary.

COUNT II - BREACH OF CONTRACT
LAWYERS FUNDING GROUP, LLC V. DEFENDANT, BRIAN MCALLISTER, ESQUIRE

25. Plaintiff incorporates herein paragraphs 1 through 24 inclusive, as if fully set forth below at length.

WHEREFORE, plaintiff, Lawyers Funding Group, LLC, demands judgment in its favor and against defendant, Brian McCalliser, in an amount in excess of Seventy Five Thousand (\$75,000.00) Dollars, plus all reasonable attorney's fees and costs, and any other relief the court may deem necessary.

COUNT III - BREACH OF CONTRACT

LAWYERS FUNDING GROUP, LLC V. DEFENDANT, MICHAEL KANOVITZ, ESQUIRE

26. Plaintiff incorporates herein paragraphs 1 through 25 inclusive, as if fully set forth below at length.

WHEREFORE, plaintiff, Lawyers Funding Group, LLC, demands judgment in its favor and against defendant, Michael Kanovitz, in an amount in excess of Seventy Five Thousand (\$75,000.00) Dollars, plus all reasonable attorney's fees and costs, and any other relief the court may deem necessary.

COUNT IV - NEGLIGENCE

LAWYERS FUNDING GROUP, LLC V. DEFENDANT, BRIAN MCALLISTER, ESQUIRE

27. Plaintiff incorporates herein paragraphs 1 through 26 inclusive, as if fully set forth below at length.

28. Defendant Brian McCallister was negligent in the following respects :

a) failing to implement sufficient office procedures and protocols for the proper recording of liens so as to satisfy clients' obligation from trust funds for which counsel executed an Acknowledgment of Lien.

b) failing to supervise, oversee and direct support staff personnel including paralegals, secretaries, accounting staff, administrators or others to confirm that procedures and protocols for recording and satisfying client's lien obligation to third parties including plaintiff

c) failing to properly prepare and/or review recapitulation and/or schedules of distributions and to personally confirm that the recorded liens and all obligations of his client were accurate and attested.

29. As a result of the aforesaid negligence, plaintiff has suffered and continued to suffer damages

WHEREFORE, plaintiff, Lawyers Funding Group, LLC, demands judgment in its favor and against defendant, Brian McCalliser, in an amount in excess of Seventy Five

Thousand (\$75,000.00) Dollars, plus all reasonable attorney's fees and costs, and any other relief the court may deem necessary.

COUNT V- NEGLIGENCE

LAWYERS FUNDING GROUP, LLC V. DEFENDANT, MICHAEL KANOVITZ, ESQUIRE

30. Plaintiff incorporates herein paragraphs 1 through 29 inclusive, as if fully set forth below at length.

31. Defendant Michael Kanovitz was negligent in the following respects :

a) failing to implement sufficient office procedures and protocols for the proper recording of liens so as to satisfy clients' obligation from trust funds for which counsel executed an Acknowledgment of Lien.

b) failing to supervise, oversee and direct support staff personnel including paralegals, secretaries, accounting staff, administrators or others to confirm that procedures and protocols for recording and satisfying client's lien obligation to third parties including plaintiff

c) failing to properly prepare and/or review recapitulation and/or schedules of distributions and to personally confirm that the recorded liens and all obligations of his client were accurate and attested.

d) failing to coordinate and/or communicate with co-counsel Michael Kanovitz and Loevy&Loevy Attorneys at Law so as to confirm that his client's lien obligations would be properly recorded and/or satisfied

32. As a result of the aforesaid negligence, plaintiff has suffered and continued to suffer damages

WHEREFORE, plaintiff, Lawyers Funding Group, LLC, demands judgment in its favor and against defendant, Michael Kanovitz, in an amount in excess of Seventy Five Thousand (\$75,000.00) Dollars, plus all reasonable attorney's fees and costs, and any other relief the court may deem necessary.

COUNT VI-

LAWYERS FUNDING GROUP, LLC V. DEFENDANT, THE MCCALLISTER LAW FIRM, PC

33. Plaintiff incorporates herein paragraphs 1 through 32 inclusive, as if fully set forth below at length.

34. At all times material hereto, Defendant, Brian McCallister, Esquire was a principal, officer, employee or otherwise an agent of defendant McCallister Law Firm, PC and as such McCallister law firm is directly and/or vicariously liable for the negligence and/or breach of contract of Brain McCallister, Esq.

35. As a result of the aforesaid plaintiff has suffered and continued to suffer damages

WHEREFORE, plaintiff, Lawyers Funding Group, LLC, demands judgment in its favor and against defendant, McCallister Law Firm, PC, in an amount in excess of Seventy Five Thousand (\$75,000.00) Dollars, plus all reasonable attorney's fees and costs, and any other relief the court may deem necessary.

COUNT VII

LAWYERS FUNDING GROUP, LLC V. DEFENDANT, ELGRON, INC

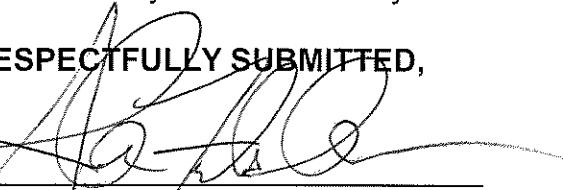
36. Plaintiff incorporates herein paragraphs 1 through 35 inclusive, as if fully set forth below at length.

37. At all times material hereto, Defendant, Michael Kanovitz, Esquire was a principal, officer, employee or otherwise an agent of defendant Elron, Inc d/b/a Loevy & Loevy, Attorneys At Law, and as such Elron, Inc d/b/a Loevy & Loevy, Attorneys At Law is directly and/or vicariously liable for the negligence and/or breach of contract of Brain McCallister, Esq.

38. As a result of the aforesaid plaintiff has suffered and continued to suffer damages

WHEREFORE, plaintiff, Lawyers Funding Group, LLC, demands judgment in its favor and against defendant, Elgron, Inc d/b/a Loevy & Loevy, Attorneys At Law in an amount in excess of Seventy Five Thousand (\$75,000.00) Dollars, plus all reasonable attorney's fees and costs, and any other relief the court may deem necessary.

RESPECTFULLY SUBMITTED,

BY: 

ALAN R. ZIBELMAN, ESQUIRE
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Lawyers Funding Group, LLC
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